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Cover photo: **Mine workers in South Africa.** Brendin Boyes / AAI Fotostock / age Fotostock

Farmer Oumar Sakho, 50, stands in his corn field using a mobile phone.

Panos / Jacob Silberberg

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Africa's rising information economy

In many countries, the ICT sector is no longer marginal

By André-Michel Essoungou

For 48 long hours employees of Senegal's National Telecommunications Company cut telephone and Internet connections to the rest of the world. That bold action, in August 2010, was meant to force the government to back down on a plan to grant a US company exclusive rights to manage incoming international phone calls.

Whatever the specific issues in the dispute (which were later resolved when Senegal's market regulatory body annulled the US company's contract), the two-day shutdown itself sent immediate shock waves throughout the Senegalese economy. Dozens of institutions were affected: banks, travel agencies, customs offices, call centres, calling card vendors, the airport, the harbour.... Newspapers ran angry editorials. "Our economy lost CFA50 bn," or US$100 mn, one headline complained.

Since Senegal is an important regional hub, communications in two neighbouring countries, Guinea and Mauritania, were also disrupted. "It is very sad this would happen as we celebrate 50 years of our independence," a Mauritanian newspaper lamented. "It just goes to show how incomplete this independence is."

The strong chain reaction prompted by the Senegalese crisis vividly illustrated just how important the information and communications technology (ICT) sector has become in Africa. It is not only a sensitive economic sector in its own right, but also a backbone for other sectors.

Call centre in Nairobi, Kenya, which provides services for companies around the world. In many African countries, the information and communications technology sector is not only growing rapidly, but also stimulating other parts of the economy.

Panos / Sven Torfinn

Unparalleled growth

Nascent only a decade ago in Africa, the ICT sector has been growing in recent years at an unparalleled pace. In some countries, various studies note, the "information economy" is becoming one of the main drivers for economic growth more generally.

In 2009 South Africa's ICT sector generated $24.2 bn and contributed more than 7 per cent to the country's gross domestic product (GDP), according to a report by Hot Telecom, a consulting firm. That same year Tunisia's ICT sector contributed 10 per cent to the country's GDP. In Tanzania its share reached 20 per cent of GDP. Everywhere on the continent, the ICT sector is expanding rapidly. Annual ICT revenues are now estimated at around $50 bn.

Investments in Africa's mobile phone segment, the continent's dominant ICT category, have grown from $8.1 bn in 2005 to almost $70 bn today, reports the UN's International Telecommunication Union (ITU). Mobile phone operators have become major sources of tax revenue for African governments. They average 7 per cent of tax receipts and in some countries comprise the single largest category of taxpayers, according to the GSM Association, which represents mobile operators worldwide.

'Ongoing success story'

Behind this trend lie three major changes over the past decade. The first was Africans' unexpectedly fast adoption of ICT services. In 2000, 11 million people in Africa had mobile

Laying fibre-optic cable off the East African coast: More African countries will soon have faster and cheaper communications links with the rest of the world.

Reuters / Joseph Okanga

phones. Five years later the number had grown to almost 200 million, and now it is fast approaching 400 million.

The pace of mobile phone adoption in Africa has defied all predictions. Cellular phone penetration on the continent is an "ongoing success story," comments an ITU report.

This trend stems from "our peculiar calling habits," jokingly remarked Charles Onyango-Obbo in an opinion article in the *Daily Nation* newspaper in Nairobi, Kenya. He was referring to the interminable phone conversations Africans tend to have, despite the high price of calls.

There also has been steady growth in Internet access on the continent, from 3 million users in 2000 to more than 100 million in 2010. This upward trend will continue, as Africa literally becomes more closely wired to the rest of the world with the construction of a series of undersea cables (see *Africa Renewal*, October 2007). In the process, Africans became world leaders in "mobile web" technology — Internet access through mobile devices (see *Africa Renewal*, December 2010).

Also revolutionary is the extent to which ICT now supports other economic sectors. Stock exchanges in Johannesburg, Nairobi, Lagos and Abidjan cannot function without these technologies. They make banking easier and accessible to more people, allow faster and more efficient medical assistance and are increasingly being used to help advance people's political participation.

Outside investors rush in

Beyond the popular adoption of new information technologies, a second major change has also contributed to ICT economy's rapid growth: the rush to Africa of foreign investors attracted by the sector's high profit margins.

In 2008 Britain's Vodafone, the world's largest mobile operator in terms of revenue, started an African shopping spree in Ghana when it acquired 70 per cent of Ghana Telecom for $900 mn. It has since made its way into Egypt and Kenya, and has become the majority owner of South Africa's Vodacom. Sub-Saharan Africa is officially one of the company's three main markets.

Last year France Télécom announced plans to invest more than $8.8 bn in Africa and the Middle East. Previously limiting itself to Francophone African countries, the operator has now extended its presence in Africa much farther, including to Kenya.

Most notable among foreign investors in Africa's ICT economy, however, is Bharti of India. In March 2010 Bharti's aggressive search for a continental presence led it to acquire the African assets of Kuwait's Zain for a record $10.7 bn.

This frenzy of acquisitions is a sharp change from the past. A decade ago, only a handful of African businesspeople and companies saw opportunities in the continent's changing landscape. Sudan-born Mohamed Ibrahim launched the Celtel mobile phone network, and for years his company shared much of the African market with South Africa's MTN and Vodacom.

No more. And even though returns on investments in the region's ICT sector are now less than they once were, they still remain attractive to Western companies struggling with stagnant markets and low profits in Europe and North America. Five years ago in Africa "it took half a year to recover investments in infrastructure for new clients," says Marc Rennard, head of France Télécom's African and Middle Eastern operations. "Now it's more than two years. But that's still pretty good."

Regulatory reform

The third of the major changes is that the policies and institutions needed to help Africa's ICT sector reach its potential are finally

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Climate talks: A faint ray of sunshine in Cancún

But storm clouds loom for efforts to protect Africa's environment

By Michael Fleshman

When thousands of ministers, scientists and activists descended on the Mexican resort town of Cancún for another gruelling round of talks on climate change in early December, they brought with them limited expectations. The 2009 meeting in Copenhagen had produced little more than acrimonious disputes between developed and developing countries over financing and strategy, and prospects appeared no better in the run-up to Cancún. But in the end participants were surprised to find themselves in agreement on some key points.

Also, unlike during the chaotic Copenhagen conference, there was little debate about the science of global warming. The weather had seen to that. From scorching heat and wildfires in Russia to droughts in Australia, floods in Pakistan and snow in the southern US, the evidence of extreme shifts in the world's climate was impossible to ignore.

African delegates, for their part, arrived in Cancún with a common position on some of the key issues under discussion. Among other things, they called for:

- a 45 per cent cut from 1990 levels, by developed countries, of the industrial pollution that causes climate change,
- the creation of a multibillion-dollar fund to help poor countries adapt to the impacts of climate change,
- access to new technologies and other forms of assistance to allow for "green" economic growth, and
- guarantees that global climate negotiations will continue under UN auspices after the current emissions reduction treaty, known as the Kyoto Protocol, expires in 2012.

'A matter of survival'

For African and other poor developing countries, Lesotho Minister of Natural Resources Monyane Moleleki told delegates, progress in fighting

Collecting water in the drought-prone Moyale region along the Ethiopia-Kenya border. African climate negotiators are pressing for more aid to poor countries most affected by environmental changes.

Reuters / Irada Humbatova

Tree planting in the Usambara Mountains of Tanzania. The Cancún conference secured some agreement to help countries protect their forests.

Alamy Images / Imagebroker

climate change "remains a matter of survival." Speaking on behalf of the 48 countries — most of them in Africa — classified as least developed, Mr. Moleleki noted that they are already experiencing some effects: "sea level rises" from melting polar ice caps, "enhanced land degradation, declining land-carrying capacity, drought and biodiversity loss, to name a few." And the poorest countries, he continued, "are the most vulnerable, because they have the least capacity to adapt."

In what would become a theme of African negotiators at Cancún, Mr. Moleleki called for adaptation to be accorded the same priority in climate talks that emissions reductions now enjoy, and for industrialized countries to honour their 2009 pledge to help finance climate change programmes in developing countries.

The mood during much of the meeting was captured by UN Secretary-General Ban Ki-moon, who lamented the "unmet expectations" at Copenhagen, but insisted that "tangible progress is possible here in Cancún."

"We do not need final agreement on all issues," Mr. Ban said on 7 December, "but we do need progress on all fronts. We cannot let the perfect be the enemy of the good."

Surprising success

By the time the conference ended in the early hours of 11 December, African negotiators and civil society representatives were declaring themselves encouraged and not a little surprised by the degree of consensus that had been reached on some crucial issues. Among other things, an agreement was made to set up a long-term mechanism to address adaptation needs, a longstanding African demand.

According to the UN Economic Commission for Africa, which played a significant role in supporting Africa's negotiators in Cancún, the most important achievement was agreement to create a Green Climate Fund to finance adaptation and "green" development in poor countries. African and other developing countries had long argued for the establishment of such a fund, which is projected to raise $100 bn annually by 2020. The resources are to come from levies on carbon emissions and air travel, as well as what the agreement describes as other "predictable and reliable" sources of finance from the industrialized North.

African delegates likewise welcomed an agreement in principle to provide financial incentives for countries to protect forests, an effort known as Reducing Emissions from Deforestation and Degradation, or REDD. Forests are called "the lungs of the world" in environmental circles, because they absorb large amounts of climate-changing carbon dioxide from the air and produce oxygen. The carbon is stored in tree trunks, leaves and branches, but is released when forests are cut down, making deforestation a major contributor to climate change.

The Cancún conference rejected an effort by some countries, including Japan, the US and Russia, to move to a voluntary emissions-reduction system after the expiration of the Kyoto Protocol. Beyond that, negotiators even made a breakthrough of sorts, by agreeing in principle to include developing-country emissions in future reduction agreements. Under the Kyoto Protocol only industrialized countries are required to make cuts, although China, India and other industrializing developing countries are large emitters. Developing countries had previously resisted calls for mandatory cuts in their emissions, arguing that industrial countries are responsible for the vast majority of pollutants and the onus is on them

to reduce their emissions to allow African, Asian and Latin American countries to industrialize and reduce poverty. Finding a formula acceptable to rich and poor countries, however, must await future negotiations.

Scepticism on finance

Whether the promised Green Fund will materialize is another matter. As some observers noted, details about the financing were notably lacking, and pledges made at highly visible international conferences are not always met after the delegations return home and the television cameras move elsewhere. Ethiopian Prime Minister Meles Zenawi, the chief spokesperson on climate change for the African Union (AU), reminded the leaders of developed countries on the eve of the conference that climate finance "is not aid ... it is not assistance.... It is paying the price for their ... emissions, for which we in Africa have borne the brunt for too long."

Tosi Mpanu-Mpanu, the director of the African negotiating team at Cancún, told reporters that after some donors "double-counted" development aid as adaptation finance after the Copenhagen meeting, "we still have to resolve the issues around transparency on the pledges."

Some African countries also expressed reservations about decision-making, noting that the Fund's governing board will be divided equally between developed and developing countries and administered by the World Bank, where Africa has little sway.

Edward Kofi Omane Boamah, Ghana's deputy environment minister, told the UN news agency IRIN in mid-December that the AU will create its own Africa Green Fund at the African Development Bank. "We want Africa's share of [the Green Climate Fund] money to flow through that," he said, arguing that Africa needs greater control over climate change resources. Because Africa generates less than 4 per cent of the pollutants causing climate change, he added, "We want at least 60 per cent of the funds to flow for adaptation," to help Africa cope with floods, drought and other consequences of climate change.

> "African negotiators and civil society representatives were surprised by the degree of consensus reached on some crucial issues."

Durban conference will be key

Agreement on the scope and timing of emissions reductions remained elusive at Cancún, however. African countries, which are likely to suffer the most from climate change, have argued for deep cuts to keep the impact to a minimum. Many industrialized countries have resisted, arguing that large and rapid reductions are too costly and will damage the global economy.

Other analysts argue that for developing countries to be able to grow while keeping overall pollution within safe limits, developed countries will have to make even deeper emissions cuts than they currently foresee. The question of how much to cut — and at what cost and by whom — has been a major impediment to action against climate change for years. Addressing this thorny issue, and thrashing out the details of the Cancún agreements, will form the agenda for the next major meeting in Durban, South Africa, at the end of 2011.

Despite the urgency of the challenge, there is no guarantee of success, particularly with much of the industrialized North still mired in a major economic slump. More can and must be done, insisted Secretary-General Ban: "I am deeply concerned that our efforts so far have been insufficient," he told delegates. "Despite the evidence and many years of negotiations we are still not rising to the occasion.... We need results now, results that curb global ... emissions, strengthen our ability to adapt and help to create a more sustainable prosperous future.... The longer we delay, the more we will have to pay — economically, environmentally and in human lives."

With Durban only months away and much at stake, noted Alf Wills, the chief South African climate negotiator, "there is a lot of work ahead of us."

Highest carbon emitting countries 2007*

metric tonnes annually per capita

INDUSTRIAL COUNTRIES	
US	19.3
Canada	16.9
Russian Federation	10.8
Japan	9.8
Germany	9.6
AFRICA (SUB-SAHARAN)	
South Africa	9.0
Mauritius	3.1
Botswana	2.6
Namibia	1.5
Angola, Gabon	1.4

*18 of the 20 countries with the lowest per capita emissions, 100 kilogrammes or less, are located in sub-Saharan Africa

Source: UN Africa Renewal from World Bank data

Drop by drop, Kenyans struggle with climate change

Community-built sand dam in Kenya's Machakos district: The simple dams allow villagers to protect groundwater levels, as drier weather patterns prevail.

Excellent Development

Communities develop alternatives to secure precious water

By **Morton Saulo** Kitui, Kenya

It is still early on a hot and dusty Wednesday morning, but the temperature is already above 35 degrees centigrade. Residents say that it rained just a month ago, although there is no evidence of this. Plants have shed their leaves and all the green vegetation has now changed colour.

Seven-year-old Moli Kituvi strides with confidence in search of water, her container held tightly by one arm. Because of the harsh conditions in this semi-arid district some 400 kilometres from the capital, Nairobi, one would expect there to be a long walk ahead of her. But in the near distance lies a stretch of green vegetation. Napier grass, sorghum and other greenery grow in a small area next to a dry seasonal river.

With her calabash Moli starts scooping sand from the dry riverbed, one scoop after another. Close to 20 centimetres down, water finally seeps out. "I only have to wait less than five minutes, then the water will be very clear," says Moli with a smile. Indeed, she soon fills her bucket. With her task over, she says, "Now I can go to school."

Sand dams

Moli does not understand why she is able to help her mother fetch water in such a dry area. But Kavinya Kata,

35, who has herded her cattle to the same spot to quench their thirst, does. She cites the sand dams built along the seasonal river course that have changed the local environment — and the residents' lives — for the better.

"For years, water would flow down the stream after heavy rains in the mountains, but the community did not have techniques for conserving the water," Ms. Kata reminisces. But partly thanks to the sand dams, the community has now become self-sustaining.

With technical advice from the non-governmental SASOL Foundation, local community members selected the site for the sand dams. They elected a committee that supervised their construction, mobilized villagers to build them and now ensures that they are maintained. Built of sand across river drainage channels, the dams allow water to percolate into the surrounding soil and raise groundwater levels. And because the water is stored below the surface, evaporation is minimized.

More vegetation also grows. Italuu Kakai, a farmer, has come to the area to gather napier grass for his heifer tethered at home. Villagers can draw water from a nearby hand pump, installed by the SASOL Foundation.

Kitui's sand dams are not the only ones in the region. Some 55 kilometres away, in Maito, a self-help group is also reaping the benefits of the technology to improve farming. "For years the weather has been changing for the worse," notes Ngina James, a leader of the group. "Year in, year out, the rains have become scarce. So we had to find alternatives to survive in these harsh weather conditions." Using sand dams is one way for his group's members to tackle the challenges related to climate change.

Countering drought

Kitui has also experienced more difficult weather. Historically the district enjoyed seasons of short rains between October and December and long ones between March and May. But for the last 15 years the rainfall has become more erratic, with annual totals ranging between 250 and 750 millimetres. Dry spells have become more common during the rainy seasons, and the district has been hit by drought. Residents fear that the situation is likely to get worse.

> **"Year in, year out, the rains have become scarce. So we had to find alternatives to survive in these harsh weather conditions."**
>
> —Ngina James, Maito self-help group leader

According to Mutinda Munguti, head of the SASOL Foundation, sand dams can be an important asset to residents and can help bring significant changes to the local environment. The technology, he says, "eliminates water shortages and increases moisture content in the soil, thus increasing land productivity." And by increasing the vegetative cover, he adds, it can also reduce land degradation.

Severe weather conditions are becoming more common across Kenya. According to the government's National Climate Change Response Strategy, released in 2010, recurrent droughts have shortened the country's cycles of famine. It was 20 years between the severe droughts of 1964 and 1984, and then 12 years until the next one in 1996. Two more droughts came in 2004 and 2006. From 2007 to 2009 they came yearly, obliging the government to distribute 528,341 metric tonnes in food relief.

"As a result of climate change, there will be increased frequency and intensity of extreme weather conditions, like drought and floods," explains Ayub Macharia, the acting head of the National Environment Management Authority. This in turn will harm food security, the stability of food systems and people's access to food, in various direct and indirect ways. Mr. Macharia warns that the costs to society and the economy will be immense, unless more communities take action to reduce the impact of climate change.

The government, through its climate change strategy, is helping local communities with technical information and early warnings about changing weather patterns. It also plans to complement villagers' efforts on a wider scale: digging channels to transfer water from surplus to deficit areas, building municipal water-recycling facilities to reduce usage, constructing waterways, reservoirs and other infrastructure to retain rainwater, and protecting riverbanks and water catchment areas from degradation.

Together with local undertakings, such efforts not only help protect the environment, but can also enhance people's livelihoods, notes Mr. Munguti. "In communities with sand dams and other complementary services, agriculture is a less risky enterprise now."

Investing in Africa's farms — and its future

NEPAD encourages more spending on agricultural production

By Ernest Harsch

Farmers harvesting rice in Liberia, one of the countries that has signed a "CAADP Compact" pledging increased government funding for agricultural development.

Panos / Aubrey Wade

For most of the 1990s Sierra Leone was best known for its diamonds — and the devastating civil war that the scramble for those precious gems helped to sustain. But a decade after the end of that conflict, the West African nation is tapping a different kind of wealth: the crops that can grow on its fertile land.

For Marie Kargbo, who cultivates rice on a six-hectare farm in Kambia district in northwestern Sierra Leone, bountiful harvests are a direct result of increased government support. "Before now, life for women farmers was very difficult," she told a reporter for the Inter Press Service news agency. "But now rice production has been fruitful, as we have been receiving supply from the government, ranging from seed rice [to] power tillers, fertilizers and pesticides."

In 2009, according to the latest estimates of the UN Food and Agriculture Organization (FAO), Sierra Leone grew 784,000 tonnes of rice, well above the 550,000 tonnes needed for domestic consumption and a third higher than the previous five-year average. The absence of war is one factor, since it allows farmers to tend their crops in peace. Rainfall, while erratic, has generally been sufficient as well.

But perhaps the most important element has been the government's enhanced support for agriculture. In 2008 President Ernest Bai Koroma, who had just been elected the year before, declared that agriculture would be his administration's second-highest development priority (after energy).

The government put money behind that talk by increasing agriculture's share of the 2009 budget to 7.7 per cent, a dramatic leap from just 1.6 per cent the previous year. The 2010 budget pushed up the share further, to 10 per cent.

With that step, Sierra Leone became just one of a dozen African countries to reach the target for agricultural spending recommended by African governments at a 2003 summit meeting in Maputo, Mozambique. That summit also approved a detailed plan for African agriculture known as the Comprehensive African Agricultural Development Programme (CAADP), which is part of the New Partnership for Africa's Development (NEPAD), the African Union's continental development programme (see *Africa Renewal*, January 2004).

Sierra Leone's own agricultural initiative was directly inspired by CAADP. When the government formally signed a CAADP Compact in

September 2009 to mark its commitment to the programme, President Koroma declared, "This is an important historical moment not only for Sierra Leone, but for Africa as a whole. We regard CAADP as being pivotal to our poverty and hunger eradication efforts."

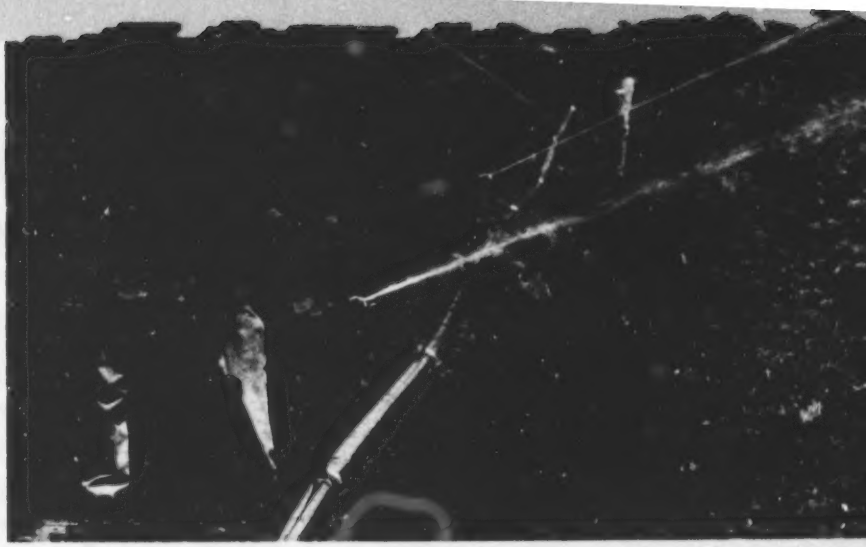
Averting a food crisis

For Sierra Leone and the rest of Africa, this is a critical time. In early February the FAO reported that its food price index had increased for the seventh consecutive month. It was not only higher than during the peak of the 2007–08 global food crisis (see *Africa Renewal*, July 2008), but also the highest since the UN agency began tracking global prices in 1990.

Africa, cautioned UN Secretary-General Ban Ki-moon in a November 2010 report* on the "social dimensions" of NEPAD, is especially vulnerable to such price increases. Since most African countries do not produce enough food of their own, he estimated, the continent spends about $33 bn annually importing food. Poor people, who spend a disproportionate share of their meagre incomes on food, are hit especially hard. "The state of food and nutrition security across much of Africa remains fragile," Mr. Ban emphasized.

President Bingu wa Mutharika of Malawi, who served as chairperson of the African Union in 2010, pointed to the broader implications of food insecurity when addressing a conference of African agriculture ministers in Lilongwe, Malawi, in October. "Without food," he said, "children cannot learn well in schools; without food, the labour force cannot be productive; without food, you cannot maintain the police service and national defence forces...."

*"*Social dimensions of the New Partnership for Africa's Development: Report of the Secretary-General," E/CN.5/2011/4, 23 November 2010.*



Irrigated farming in Kilimanjaro, Tanzania: Expanding waterworks and other rural infrastructure is vital for increasing production and sustainable land management.

© Peter Arnold, Inc. / Ron Giling

Economic backbone

But Africa need not remain hungry. With increased investment, better agricultural policies and more support for Africa's farmers, the continent can achieve an agricultural revolution, says Ibrahim Assane Mayaki, the chief executive officer of the NEPAD Planning and Coordination Agency. "Africa has the potential to become a major food producer, ensuring food security on our continent and beyond."

Boosting agricultural production is not only vital for reducing hunger in Africa, notes the CAADP programme, "but it also makes economic sense." In virtually every African country — including most of those blessed with oil and minerals — agriculture constitutes the backbone of the economy. The size of the harvest is often the most decisive factor in overall economic growth, and CAADP recommends that the farm sector should grow by an average of at least 6 per cent a year.

Yet for decades African agriculture suffered from neglect. Many governments devoted only a minuscule percentage of their budgets to farming, and donor funding shifted away from agriculture to other sectors.

In recent years donors have promised more financing. At a 2009 summit of the Group of Eight industrial powers in L'Aquila, Italy, their leaders pledged some $22 bn in international agricultural aid, much of it for Africa, within three years. But with the global economy still suffering from the impact of the 2008 financial crisis, that promise is materializing only very slowly.

That makes it even more important for African governments to do their part, argues Mr. Mayaki. "We all have to make the necessary funding available. We need to increase our levels of investment into agriculture in Africa."

Agricultural 'compacts'

In 2007, CAADP's promoters launched a campaign to get African governments to publicly commit themselves, at the highest levels, to the targets set by the Maputo summit. As of that point, according to an African Union/NEPAD survey, only eight African governments (Comoros, Ethiopia, Madagascar, Malawi, Mali, Niger, Senegal and Zimbabwe) were devoting 10 per cent or more of their budgets to agriculture.

That year, Rwanda became the first country to sign a formal CAADP Compact. Under it the ministers of finance and agriculture vowed to

increase the share of government spending for agricultural development from 4 per cent to more than 10 per cent within five years (it had reached 7 per cent by 2010). The ministers, as well as signatories from the private sector and civil society, also pledged to be guided in their activities by CAADP's four thematic "pillars" (expanding land area and water systems under sustainable management, increasing food supply, improving rural infrastructure and market access, and promoting agricultural research).

Slowly at first, other African governments also signed compacts. The campaign accelerated in 2009, as 12 signed that year. By late 2010 the total had increased to 22, with another six governments expected to sign by April 2011. In November 2009 the first regional compact was signed, by the Economic Community of West African States.

Signing the compacts is just a first step. Most governments subsequently hold consultations with farmers' organizations, technical experts, researchers, donor officials, business representatives and others to develop detailed, multi-year investment plans.

More inputs equal bigger harvests

However much governments spend on agriculture, the real test is whether those funds reach farmers on the ground, to help them increase their productivity. In country after country, experience has shown that farmers' access to key inputs — especially fertilizer, high-yielding seeds and irrigation — can be crucial in boosting their harvests. Government subsidies may be helpful in making such inputs affordable for poor farmers, an approach pioneered by Malawi (see box, right).

In 2009 Mozambique distributed 7,300 oxen as part of a programme to expand the use of animal traction, a measure that should enable families to cultivate at least five hectares each, instead of the current average of just one.

Also in 2009 Uganda recorded its best-ever maize harvest. "We distributed enormous quantities of good-quality high-yielding seeds," explained Opolot Okasai, the government's commissioner for crop resources. In 2010, thanks to continued seed distribution, the maize harvest was even higher, nearly twice domestic consumption needs. Much of the remainder was exported to South Sudan and the eastern part of the Democratic Republic of the Congo.

In Tanzania, greater use of hybrid seeds and fertilizers enabled farmers to produce a surplus rice crop in 2010. That same year Senegalese rice farmers, who generally produce only about 150,000 tonnes annually, were able to grow 350,000 tonnes, about half the country's rice consumption. In addition to more seeds and fertilizers, a well-funded farm irrigation programme proved decisive.

Particular care must be taken that such assistance reaches women farmers, experts point out. Whether agricultural services are to provide quality seeds, affordable fertilizers, marketing assistance or credit, they "must give the necessary support to the women farmers, who produce the majority of Africa's food," says Namanga Ngongi, president of the Alliance for a Green Revolution in Africa, a non-governmental rural development initiative launched by former UN Secretary-General Kofi Annan.

More generally, farmers' groups must gain a greater voice in helping to decide and implement agricultural policies and programmes, Mr. Mayaki, the NEPAD chief executive, said at the first Pan-African Farmers Forum, held in Malawi in October 2010. The participants included representatives of national farmers' unions and five regional farmers' organizations. "Farmers," Mr. Mayaki said, "have an important role in ensuring the good application of the NEPAD fundamentals — transparency, accountability and local ownership."

Malawi's example of success

Most African farmers are too poor to afford essential agricultural inputs. So Malawi, beginning in 2005, embarked on an innovative solution: to provide government subsidies to reduce the retail costs of fertilizers and high-yielding maize seeds for smallholders (see *Africa Renewal*, October 2008).

Despite scepticism from the World Bank and some Northern donor agencies, President Bingu wa Mutharika persisted, and maize harvests grew dramatically. A country that once suffered periodic food shortages is now producing far more maize than it consumes, and can even give food aid to other African countries.

This turnaround has also boosted rural incomes. In 2009 Malawi's Ministry of Finance estimated that during the previous four years the share of Malawians living below the poverty line fell from 52 per cent to 40 per cent.

Other African countries have followed Malawi's example in subsidizing inputs for poor farmers. When President Mutharika became chair of the African Union in 2010, he used that platform to urge African governments to increase their agricultural budgets and provide more farm inputs. A March 2010 meeting of African ministers of finance, economic planning and development, held in Lilongwe, Malawi, recommended that governments subsidize small-scale farmers and stabilize markets for those who produce surpluses.

Foreign investors eye African consumers

A shopping mall in Kampala, Uganda: More foreign investors are seeking to tap into Africa's growing layer of "solvent consumers." Panos / Mikkel Ostergaard

Beyond minerals, sales and services are drawing more interest

By André-Michel Essoungou

It was an unlikely move greeted with a good measure of disbelief. When the world's biggest retail company, the US-based Walmart, announced in September 2010 a plan to buy South Africa's Massmart – also a retail company – for a staggering $4.2 bn, eyebrows were raised. Foreign investors in Africa usually put their money in the riches that lie beneath its soil, where the profits are higher. In fact, the steady growth of foreign direct investment (FDI) flows to the continent during most of the past decade has mostly been concentrated in extractive sectors, especially oil (see *Africa Renewal*, January 2005).

Yet, much like Walmart, a growing number of major investors are now betting on the continent's ultimate wealth, Africans themselves, a report by the UN Conference on Trade and Development (UNCTAD) reveals.*

And for all the shock that Walmart's foray into Africa initially prompted, when it finally acquired only 51 per cent of Massmart's shares for $2.5 bn in December, the transaction was still second to the continent's biggest business deal unrelated to natural resources. Late in March 2010, a

*UNCTAD, World Investment Report 2010, July 2010. Available on the Web at http://bit.ly/h6KmvJ

Mine worker in Burkina Faso pours a gold ingot: Foreign investments in Africa's least developed countries still focus primarily on the mining and oil industries.

Reuters / Katrina Manson

record $10.7 bn transaction took place as Kuwait's telecommunication company Zain sold its African assets to Bharti, an Indian competitor (see page 3).

Overall, the UNCTAD report notes, amidst a recent slump in FDI flows to Africa (see graph, page 15), "The services sector, led by the telecommunications industry, became the dominant FDI recipient." Across the continent, new deals involving major foreign corporations are becoming a common occurrence in sectors previously considered unattractive to investment heavyweights. Nestlé, a Swiss food company, announced plans to spend $1 bn by 2013 for acquisitions in various African countries, including the Democratic Republic of the Congo, Nigeria and Angola. Less than two years ago Nestlé's main competitor, France's Danone, took full ownership of Clover, South Africa's leader in fresh cultured dairy products.

Such developments call "for reassessment of FDI in Africa, as a different picture emerges," the report argues. Potentially, development experts note, an increase in FDI flows to infrastructure, services and retail sales could have a far more positive impact on African economies. Unlike investments in the extractive industries, investments in consumer-oriented sectors often lead to the creation of many more jobs and stimulate consumer spending.

Benefits of growth

Africa's booming middle class, with its recently acquired purchasing power, is the main reason behind the new FDI trend in the continent. Various researches suggest that the number of Africans who can afford to buy more than the necessities of daily life is rising rapidly. A much-talked-about report by McKinsey, a US-headquartered multinational consulting firm, estimates that the continent is home to around 50 million middle-class households (defined as those with incomes of at least $20,000), as many as in India.** One in every 10 Africans, says a different study by a French aid agency, is already a "solvent consumer" — one who can afford the latest smartphones, the newest computers and dinners at trendy restaurants.

The rise of this middle class is linked to the strong economic performances recorded in many African countries since the end of the 1990s. Average economic growth has been around 5 per cent a year, while the average inflation rate fell to 8 per cent from an earlier high of 22 per cent. From 2000 to 2010, six of the world's 10 fastest-growing economies were in sub-Saharan Africa, reports *The Economist*, an authoritative London weekly. In fact, the publication argues that Africa is the site of "the surprising success story of the past decade," high praise from a magazine that is generally not very enthusiastic about the continent.

Strong and sustained growth rates — and not only in the oil-rich countries that benefited from booming demand from emerging economies — provided a platform from which numerous households moved upwards in income. And while growth in oil-producing countries usually did not result in massive job creation, growth in other countries did create some employment, in turn boosting domestic consumption. In South Africa, Tunisia, Egypt and Morocco, Africa's four most advanced and diversified economies, domestic consumption became the largest contributor to growth in recent years, says the McKinsey report.

Policies, peace and governance

Africa's improved economic performances are also a result of good economic policies and improved political contexts, maintained the World Bank in its report *Africa Development Indicators 2007*. In Ghana, Uganda and Tanzania, for example, business-friendly policies opened new markets to investors. Angola and Rwanda became fast-growing economies after long civil wars.

Some also argue that a continental development plan has helped as well. The New Partnership for Africa's Development (NEPAD), adopted by African leaders in 2001, "did help shape a new, more positive perception of Africa," argues Patrick Osakwe, an economist with the UN Economic Commission for Africa and co-author of a study on FDI to Africa. By emphasizing the importance of

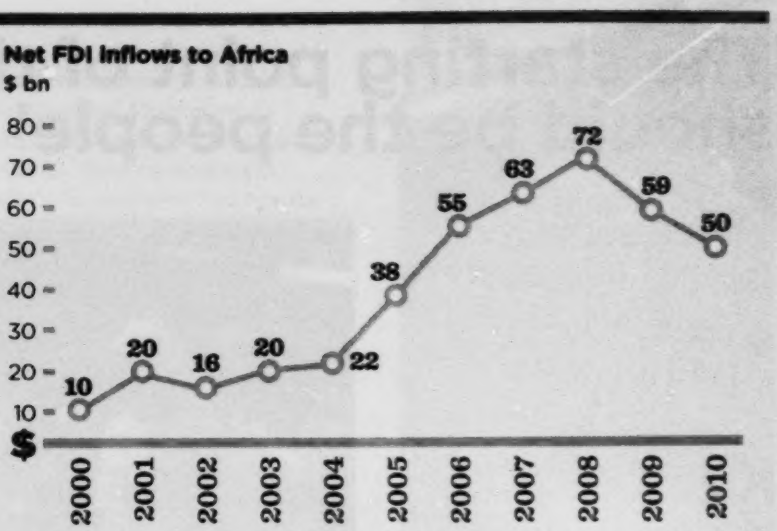
**McKinsey and Company, Lions on the Move: The Progress and Potential of African Economies, June 2010. Available on the Web at http://bit.ly/b26FGQ

good governance, Mr. Osakwe told *Africa Renewal*, the plan illustrated a momentous shift in the way Africans seek to interact with the rest of the world.

Expanding prosperity

For a continent so long regarded by outside observers as "hopeless," the coming years will bring more good news, various analysts say. Africa weathered the global recession better than most regions of the world, and its recent economic performance is second only to that of Asia, according to several international institutions (see *Africa Renewal*, April 2010). Over the next five years, *The Economist* recently projected, "The average African economy will outpace its Asian counterpart."

Such promising prospects are central to Walmart's expansion plans in Africa. Other major Western investors are likely to follow the US giant, analysts say. One reason is that the continent's combined consumer spending is forecast to reach $1,400 bn by 2020, up from $860 bn in 2008. Companies from emerging economies such as China, India and Brazil are already strengthening their positions in the region.



Source: UN Africa Renewal from UNCTAD data.

As foreign investors rush to benefit from the rise of the new categories of African consumers, prosperity still remains elusive for too many other Africans. According to the UN Food and Agriculture Organization, 250 million people in Africa are undernourished. "To expand prosperity, African leaders need to invest in infrastructure and education, to diversify their economies, so that many more people can benefit from growth," argues Mr. Osakwe.

Others note that improving the standard of living of the poor not only makes business sense, but is also a political necessity, as suggested by the recent waves of protests across North Africa. Not addressing people's economic rights, UN High Commissioner for Human Rights Navi Pillay pointedly remarked this January, causes grievances "to fester and eventually erupt on a large scale."

External investments more central in least developed countries

In times of crisis, those most in need are usually hit the hardest. In the current global economic recession, that seems to be the case for those classified by the UN as least developed countries (LDCs). Of the 48 countries around the world that are LDCs, 33 are in Africa. The LDCs' share of worldwide foreign direct investment (FDI) is just 1.8 per cent. Yet this FDI represents a major portion of those countries' gross capital formation (total spending on investments). In 2008, only months before the crisis, FDI represented 41.6 per cent of capital formation in the 33 African LDCs.

From 2000 to 2008, flows of FDI to the LDCs grew more rapidly than aid or other types of external financial resources, rising from $4.1 bn to $32.4, according to a report by the UN Office of the High Representative for Least Developed Countries, Landlocked Countries and Small Island Developing States (UN-OHRLLS).

But in 2009 foreign investment flows to the LDCs dropped by 14 per cent, to $28 bn. Such a trend "is of particular concern, given the role of FDI in these countries' economies," notes the latest *World Investment Report* of the UN Conference on Trade and Development (UNCTAD). A modest recovery is now under way, analysts say.

FDI flows to African least developed countries are mostly directed towards oil- and mineral-rich countries. Twelve such LDCs attract 76 per cent of total inward flows of FDI to all African LDCs. In the future, the UN advises, LDCs should "refocus their efforts on FDI promotion and ... develop over the long run a comparative advantage in niche industries," such as knowledge-based manufacturing activities.

WORLD SOCIAL FORUM

'The starting point of development should be the people'

Interview with labour leader Kwasi Adu-Amankwah

Kwasi Adu-Amankwah, the former head of Ghana's powerful labour federation, was elected general secretary of the Africa division of the International Trade Union Confederation (ITUC-Africa) in 2007, putting him at the helm of a pan-African labour movement representing 16 million workers in 47 countries. *Africa Renewal's* Michael Fleshman spoke with him at the annual gathering of civil society groups for the World Social Forum in Dakar, Senegal, on 8 February, shortly after Mr. Adu-Amankwah led a march to the Egyptian embassy in solidarity with the Egyptian people's pro-democracy movement.

"For a world without borders": March on the opening day of the World Social Forum in Dakar, Senegal.

World Social Forum / Creative Commons

Africa Renewal Why has the ITUC-Africa come to the World Social Forum? Aren't mass-membership organizations like trade unions different from the non-governmental organizations (NGOs) and activist groups that predominate here?

Kwasi Adu-Amankwah ITUC-Africa has always followed the World Social Forum. It poses an alternative to the existing world. We came to propagate our own ideas, but also to learn from the rest of civil society around the world about their activities and perspectives.

Our unions reach out to NGOs even though they are not membership-based. The issue-based NGOs develop expertise and the unions are happy to link up with them. So although there are differences, unions and NGOs can always find ways to work together. Unions can have a great social impact through their role in the economy. But unions have not been so successful at marketing themselves. They assume that people know about them. NGOs go out of their way to make themselves heard.

AR What role are African unions playing in pro-democracy and economic reform movements around the continent?

KAA Unions were very involved in anti-colonial struggles in the 1950s and '60s. Ghana, Nigeria, Kenya and Guinea are examples. In South Africa, Namibia and Zimbabwe in the late '70s and '80s too. In the second wave of democratization struggles [in the 1990s], unions again were very present.

Now it appears that Africa is opening up for business. Just before the global financial crisis there were good figures about growth. But many of our unions are not impressed. In large measure, the growth that appears to have occurred is not growth that is accompanied by employment.

But even more importantly, a lot of that growth is in areas like the mining sector — mineral resources and oil. It just reinforces existing relations in African economies, where African countries produce raw materials

that find their way onto the markets of industrialized countries to fuel their industrialization. There isn't that much added value in our growth. [Extractive industries] don't have any linkages to the rest of the economy.

AR What impact has the world financial crisis had?

KAA When you talk about the global crisis — 20 per cent unemployment in developed countries is a big matter. In Africa, that is something we have always lived with. Unemployment has always been high.

Sometimes it is obscured by what is described as the informal economy. In the kind of informal economy we have in Africa there is no social protection [unemployment compensation, health benefits and so on]. It's really just disguised unemployment. In some of our countries it's as high as 80 per cent! It's only in South Africa and some parts of North Africa that the wage-earning sector is beyond 30–40 per cent.

The trade union movement has largely been busy trying to secure better terms and conditions of employment for our members, who are largely in the formal sector. But in the past decade we have been concerned about the bigger question, about the kinds of economies we have. We do think it is possible to have a global social safety net, given the world's resources.

AR How do you create jobs in Africa, given the twin realities of underdevelopment and globalization?

KAA One thing is we're trying to assist our affiliates to build their research and policy capacity, to help them engage with their governments. Also, we are building on the experience of some of our unions, who produced Alternatives to Neo-liberalism in Southern Africa (ANSA).* They are working in different countries to find how the unions, working with other components of civil society, can develop more clearly the alternatives.

AR "Neo-liberalism" is a term to describe what some consider radical free-market policies — deregulated financial markets, unrestricted trade and the ending of government social safety nets. What alternatives are African unions proposing?

KAA This is ANSA. The starting point of development should be the people, not the markets. Policies of popular participation and control of resources that empower people to make decisions for themselves follow from that. Related to this is the whole question of African integration. We need to rediscover ourselves in terms of similarities and develop systems of governance that allow the different parts of Africa to fit into each other — and then be able to meet with the rest of the world.

AR Don't these kinds of economic changes require equally far-reaching political changes?

KAA Yes they do. At the dawn of independence the colonial powers split our territories up into small countries. In the first wave of independence our leaders seemed satisfied with them. They were too busy trying to protect their new-found sovereignties to see the value of joining together. That has bedeviled us until today. We have 54 small countries, each with some sovereignty. You can't deal with the rest of the world that way. Meanwhile the rest of the world in reality sees us as one.

We need to cede some real power to a central entity, while keeping local autonomy that preserves our diversity and what we know locally. It is time to break with artificial barriers among ourselves. We need to re-engineer our existence to ensure that we as Africans can come into our own. When we get to that stage I don't think anybody can dictate their terms to us.

Workers in South Africa, as elsewhere on the continent, are preoccupied with securing decent jobs.
Reuters / Mike Hutchings

And for that to happen, the character of the African state itself really has to change. There needs to be much more democracy. There needs to be much more decentralization over issues that people can decide for themselves. I think that is the political agenda for Africa that we can make a contribution to as unions.

AR The World Social Forum slogan is "Another World Is Possible." Would you say that another Africa is possible?

KAA Look at Tunisia and Egypt today. These are African countries. I would say another Africa is happening.

*Alternatives to Neo-liberalism in Southern Africa (ANSA) is a 10-point political and economic programme intended to serve as an alternative to the development model promoted by the International Monetary Fund and the World Bank. See: www.ansa-afrika.org

Information technology super-charging Rwanda's economy

Rwandans undergoing training on an "ICT bus": The growth of Rwanda's information and communications technology sector is stimulating innovation across the society.

Redux / Tadej Znidarcic

Country aspires to become a regional high-tech hub

By Masimba Tafirenyika

A luxury commuter bus pulls up by the kerb to pick up passengers. A young woman quickly jumps in, retrieves a smart card from her wallet and swipes it against a machine next to the driver. A buzzer approves the swipe and the woman takes a seat by the window. Nothing unusual, something even routine in advanced economies. But this is tiny landlocked Rwanda, one of the world's poorest countries, which was nearly brought to its knees by genocide in 1994.

The smart-card ticketing system is known as *twende*. Its introduction in the capital, Kigali, early this year by Kigali Bus Services is the latest in a string of technological advances that are unleashing rapid changes in the economy and transforming Rwanda into a regional hub for business communications and information technology. The innovations are altering the way Rwandans communicate, pay for goods and services, and go about their daily lives.

Rwanda emerged from the 1994 genocide that killed about 800,000 people with a severely impaired society, a traumatized populace and an economy in dire straits. Back then President Paul Kagame's new government confronted enormous challenges at every turn: millions of refugees and displaced people to be resettled, genocide victims awaiting justice and an economy that needed restarting. Fast forward to 2011. There is much evidence that thoughtful policies are transforming an agrarian society into a sophisticated knowledge-based economy and instilling a sense of national identity and unity in Rwandans.

Business-friendly policies

The rise of Rwanda's economy is gradually getting investors' attention. According to the World Bank, it is now easier, faster and less expensive to operate a business in Rwanda than in most other African countries. In this year's "Ease of Doing Business" rankings, by which the World Bank

gauges the intricacies of running a company in different countries, Rwanda comes in at 58 out of 183 nations surveyed, up from 143 in 2009. In Africa only Mauritius, South Africa, Botswana and Tunisia fared better.

The World Bank says that a high ranking indicates that a country has adopted laws favourable to starting and operating a company, in areas such as accessing credit, registering property transfers, paying taxes and enforcing contracts. In 2005 an entrepreneur had to go through nine procedures to start a business in Rwanda, at a cost of 223 per cent of income per capita. Today, observes the Bank, it takes only two procedures in three days, at a cost of 8.9 per cent!

Encouraged, investors are returning the favour. World Bank figures show that flows of foreign direct investments to Rwanda jumped almost 15-fold between 2005 and 2009, from $8 mn to $118.7 mn.

Government policies to promote the technology and communications sectors are also stimulating entrepreneurial creativity and growth across the economy. Last year, the country's gross domestic product (GDP) grew by 7.4 per cent, on top of an annual average growth rate of 7.5 per cent between 2004 and 2009. This was almost in line with the government's Vision 2020 plan, which foresees annual growth rates of about 8 per cent between 2000 and 2020.

'Singapore of Africa'

It is perhaps the government's ambitious plans to transform Rwanda into a regional high-tech hub — or "Singapore of Africa" — that has most fascinated many people, including sceptics. With that goal the government initiated the five-year "National Information and Communication Technology (ICT) Plans." The first plan, from 2000 to 2005, focused on creating policies favourable to ICT initiatives. The second, from 2006 to 2010, concentrated on building the ICT backbone, including laying fibre-optic cables. The third, scheduled to run from 2011 to 2015, will speed up the introduction of services to exploit the new technology and, authorities are convinced, will push Rwanda ahead of regional rivals.

Ignace Gatare, the minister in the office of the president responsible for ICT, told *Africa Renewal* that the third phase will strengthen skills-training centres and develop an "ICT culture" in schools as a means of creating "a critical mass of IT professionals."

Early this year the state-run Rwanda Information Technology Authority announced that it had completed a nationwide 2,300-kilometre fibre-optic cable. The network connects Rwanda to the outside world by means of the Seacom undersea cable along the east coast of Africa. It provides fast Internet access to a wider range of broadband services, replacing expensive and slower satellite connections.

More mobile phones

The three mobile phone operators, Rwandatel, MTN and Tigo, are already exploiting the fibre-optic network to extend their reach. Mobile phone penetration, while expanding, is still low, however. In 2010 about 2.4 million Rwandans — one in four — owned a mobile phone, according to the Rwanda Utilities Regulatory Agency (RURA). Analysts forecast the number to top 6 million by 2015.

RURA is negotiating with mobile operators to bring down the cost of a handset from the equivalent of $14 per connection to around $3.50. The regulator is offering to bear half the total cost, and asking operators to contribute 30 per cent and consumers to pay the remaining 20 per cent. Talks are also being held with the Rwanda Development Bank to provide micro-loans for handsets.

One of the fastest-growing businesses among youths is selling mobile top-up cards, often at street corners. Internet cafés are also gaining popularity as the use of social media tools such as Facebook and Twitter goes mainstream.

From health updates to crop prices

As with the new bus ticketing system, technological innovations are today

Cyber café at a Kigali shopping mall: More and more Rwandans are getting access to high-speed Internet service.

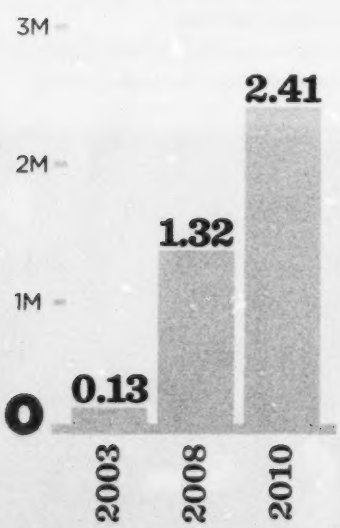
Panos / Sven Torfinn

affecting, directly and indirectly, virtually every aspect of life in Rwanda, from health and education to banking.

According to the UN Population Fund, Rwanda is currently distributing free mobile phones to thousands of community health workers throughout the country. The phones are used to keep track of pregnant women, send emergency alerts, call ambulances and provide updates on health issues to local clinics via text messages. TRACNET, an information system run by the Treatment and Research AIDS Centre, collects and manages patient information and the distribution of HIV/AIDS drugs.

Along with Ghana, Kenya and Nigeria, Rwanda recently conducted trials for a new drug monitoring system called mPedigree. This is necessary, since the World Health Organization warns that counterfeit and substandard medicines pose "a global public health problem," especially in Africa where 8–10 per cent of drugs are counterfeits. The mPedigree system allows consumers to send a text code by mobile phone to a central hotline, and then receive an SMS reply, typically within seconds, indicating whether the drug is counterfeit or genuine.

Mobile phone subscribers in Rwanda
millions



Source: UN Africa Renewal from International Telecommunication Union and Rwanda Utilities Regulatory Agency data.

Rwandans are now enjoying the convenience of banking through mobile phones, a feature already available in several other African countries. Early this year MTN teamed up with the Commercial Bank of Rwanda to launch a mobile money service. It allows thousands of subscribers to transfer money between accounts, withdraw cash and pay electricity and pay-TV bills using SMS messages.

Farmers too can now receive updates on the market prices for their crops, with an SMS software programme called e-Soko ("e-market"), eliminating middlemen and allowing them to pocket the extra cash. Applicants for drivers' licenses can access the traffic department's SMS-based application to make appointments or receive results of driving tests. A similar application is linked to the national ID database, making it easier for potential voters to register.

Telecentres

In response to the demand for more and faster Internet access, a network of telecentres connected to the fibre-optic cable is springing up in all the country's 30 districts. The *Christian Science Monitor*, a US-based newspaper, reports that these telecentres — public places where people can access the Internet and other digital technologies at affordable prices — will offer every Rwandan town high-speed domestic broadband access. This would allow middle-class Rwandans to explore business opportunities, skilled people to find jobs and farmers to find better prices for their crops.

Despite Rwanda's economic and social progress, the government has seen a rising wave of criticism of its human rights record in the region. Rights advocates — including the UN, Amnesty International and Human Rights Watch — have expressed concern over the treatment of government critics, in particular during the run-up to the 2010 presidential election. A number of opposition members and journalists recently received long prison sentences, some in absentia, for crimes ranging from hate speech to denying or inciting genocide.

The government, however, has denied accusations of human rights abuses. Its sympathizers, mainly Western donors who provide half of government spending, have placed the focus instead on President Kagame's commitment to lift his people out of poverty and to maintain stability in the aftermath of the 1994 genocide.

Overall, Rwanda's economic and social policies have received positive reviews from analysts. Most surveys on governance — including aspects such as transparency, corruption or progress for women — have given Rwanda reasonably high marks. A sympathetic longtime writer on Rwanda, Philip Gourevitch, has credited President Kagame with creating "one of the safest and the most orderly countries in Africa."

Writing in the January–February 2011 issue of the *Columbia Journalism Review*, a US magazine for professional journalists, reporter Tristan McConnell cites Gourevitch's list of President Kagame's achievements: per capita GDP has multiplied, national health insurance and free primary education are available to all, tourism is growing, the capital is clean, Internet and cell phones span the country, drivers wear seatbelts, civil servants arrive at work on time, and there is construction, rule of law and justice.

And Rwandans are just beginning to feel the impact of the spin-offs of its new technologies, with the Kigali Bus Services' ticketing system among the latest along the arduous journey to economic prosperity.

Africa Wired

Cyber-activists lend savvy to North African revolutions

Social media help spread images, messages and enthusiasm

By Ernest Harsch

As hundreds of thousands of Egyptians in Cairo's Tahrir Square celebrated the resignation of President Hosni Mubarak on 11 February, some held up mobile phones to snap photos of the crowd, others sent Twitter messages to their friends and a few wielded signs proclaiming, "Thank you, Facebook."

Technology did not cause this upheaval, which fed on widespread and long-festering political and social grievances. But young activists in Egypt, as in nearby Tunisia and elsewhere in the region, were able to use their access to new social media tools to publicize demands, call demonstrations and win support from broader sectors of the population.

"Without the social networks, we would not have been able to converge on Tahrir Square" on 25 January, the first day of the Egyptian protests, Jiji Ibrahim, a university student, told the French daily *Le Monde*. "Twitter and Facebook let us show people the size of the demonstrations, a size that encouraged many others to join in."

The success of the popular movements in toppling the autocratic governments of Egypt and Tunisia encouraged young activists across North Africa and the Middle East. In Algeria, Jordan, Libya, Yemen, Sudan, Iran, Bahrain, Morocco and elsewhere they called marches and rallies, using both online media and more traditional forms of communication. The turnouts varied, and so did government responses, which ranged from promises of reform to brutal crackdowns, as in Libya.

The protests in Egypt and Tunisia in particular were shaped by two factors: the growing availability of mobile phone and Internet-based technologies, and several years of painstaking work by young activists adept at using those tools. In both countries, labour strikes erupted in 2008. Students and other youths wrote blogs, set up Facebook pages and generally sought to drum up support for the strikes. Gradually, these online organizers took up other issues – especially human rights abuses – and formed a variety of groups. They shared tips and experiences across their borders.

In December 2010 a young but jobless university graduate in a small Tunisian town set himself on fire. His desperate

Wael Ghonim, one of Egypt's leading Internet activists, addressing pro-democracy demonstrators in Cairo's Tahrir Square: What started as a "Facebook revolution" ultimately became a "revolution of the Egyptian people." Reuters / Dylan Martinez

act quickly set off street protests. Videos of the actions were shared across the Internet and were broadcast by the satellite TV network Al-Jazeera. The protests grew ever larger, until they forced President Zine el-Abidine Ben Ali to flee the country on 14 January.

Inspired, Egyptian activists called protests against their own government on 25 January. They put out the word on the Internet, but also began their marches through poor neighbourhoods of Cairo, drawing in thousands. As images and texts spread online, the protests mushroomed across the country. They continued even when the authorities shut down the Internet for five days.

"I liked to call this the Facebook revolution," Wael Ghonim, a young marketing executive for Google who had played a key role in initiating the protests, told the huge crowd in Tahrir Square. "But after seeing the people here, I would now say that this is the revolution of the Egyptian people."

Mr. Ghonim and his colleagues insist they played only small parts in a drama unfolding on a grand scale. But those roles proved pivotal. They showed that young people armed with little more than laptops and mobile phones can help amplify popular voices for freedom and justice.

Building a 'virtual library' in West Africa

The West African Economic and Monetary Union (UEMOA), which groups eight Francophone countries in the region, is providing $12 mn for a project to boost the information and communications technology capacities in their universities. In February, Soumaila Cissé, president of the UEMOA Commission, signed an agreement with the UN Educational, Scientific and Cultural Organization (UNESCO) to support the three-year project, which will install new hardware and software on the campuses of eight universities. Each will receive fibre optic equipment and at least 200 computers.

In addition to a "cyber institute" that will provide professors with online training courses and a database to calculate students' course credits in a standardized way, the network will also create a "virtual library" of online research materials that can be easily shared among the campuses. "The virtual library we are creating will serve our young people both as roots and as wings," Mr. Cissé commented.

In Tanzania, mobile banking races ahead of the laws

"Mobile banking" – the use of mobile phones to conduct banking and payment transactions – was only introduced in Tanzania in 2008. But out of some 20 million telecommunication subscribers, more than 9.2 million are already registered with mobile banking services. The most popular is M-Pesa, offered by the UK's Vodafone. Clients not only use the services to transfer funds between accounts, but also to pay for retail goods and services, such as adding minutes to their mobile phones or paying water and electricity bills.

While aspects of mobile banking are covered in an ad hoc way under existing laws and regulations, there is no comprehensive law to regulate the fast-growing sector. According to officials of the Bank of Tanzania, the government is currently considering broad legislation on mobile banking, which may be submitted to Parliament sometime this year.

Ugandan elections go high-tech

Following opposition complaints about possible vote tampering during earlier elections, Uganda's Electoral Commission adopted a number of innovations to ensure greater transparency in the country's presidential and legislative polls in February. These included the introduction of biometric voter registration cards with photo and fingerprint, the release of the complete registration list online and the posting of polling station details via SMS messages to voters' mobile phones. A Web-based programme allowed district election officers to quickly transmit results to the national tally centre in Kampala.

In one especially hotly contested race, for mayor of Kampala, candidates held a debate that was broadcast live over television, radio and the Web. Journalists posted reports via Twitter during the debate, and people outside the hall were able to pose questions directly to the moderator via Facebook or Twitter.

In the presidential election, the Electoral Commission declared that President Yoweri Museveni had won yet again, with 68 per cent of the vote.

Africa Watch

South Sudanese head back to new country

Young citizens of a new nation. Newly arrived South Sudanese returnees in the village of Wanjok in Northern Bahr el Ghazal state.

UN Photo / Paul Banks

The exodus began shortly before the historic January referendum on whether South Sudan would remain part of greater Sudan or become independent. Day after day, thousands of southern Sudanese living in the north started returning home. But with the election producing an overwhelming vote in favour of independence, the stream of humanity flowing south has become a flood. By mid-February, the Office of UN High Commissioner for Refugees (UNHCR) reported that some 200,000 southerners had returned from the north. At the same time, in Sudan's capital, Khartoum, around 75,000 others had registered to go back. Relief agencies anticipate that as many as 800,000 southerners will return from the north this year.

Many of those heading back have been away for decades, a spokesperson for UNHCR said. Others were born and raised in the north and are going to locations that will be entirely new to them, he further remarked. For many southerners concerns about their citizenship status in the north are said to be a major motivation. But many also want to be part of the birth of their new country, set to take place officially in July this year. UNHCR says it needs $53.4 mn to support southerners moving back.

Global women's agency launched

The long-awaited global agency for women, the United Nations Entity for Gender Equality and the Empowerment of Women, was formally launched at UN headquarters in New York on 24 February. Four years in the making, the new agency, known as UN Women, consolidates many UN gender and women's empowerment programmes into a single powerful institution — a move intended to make the UN a more effective advocate for equality and women's rights around the world.

"The decision to establish UN Women reflects global concern with the slow pace of change," said Michelle Bachelet, the former Chilean president who was selected as the agency's first executive director. "It is no longer acceptable to live in a world where young girls are taken out of school and forced into early marriage, where women's employment opportunities are limited, and where the threat of gender-based violence is a daily reality — at home, in the street, at school and at work."

With a starting budget of about $500 mn annually, UN Women will focus on five priorities: strengthening women's leadership and political participation, curbing violence, involving women in peacemaking, economic empowerment and entrenching women's concerns in national budgeting and policy decisions. "I am determined that UN Women will offer a new dynamic to the global dialogue on gender equality, and bring new energy," Ms. Bachelet concluded, "drawing on multiple talents and bringing together men and women from different countries and communities in a shared endeavour."

*Follow UN Women at www.unwomen.org

Information economy

from page 4

catching up. "Telecommunication growth has been encouraged by the easing of regulatory restrictions by African governments and increased liberalization across the market," says a report by the international accounting and business services firm Ernst & Young.*

Moving away from previous state-owned and monopolistic models, most African governments have opened up their mobile phone and Internet markets to competition and to private investment. Then they started setting up regulatory authorities to oversee the burgeoning sector. Their powers usually include arbitration and the issuing of licences.

As governments devised more comprehensive multi-year plans for ICT development, such national regulatory agencies became more central players in facilitating wider access to information technologies. In Kenya, where Parliament adopted an ambitious plan to transform the country into a regional ICT hub, the national regulator recently asked operators to extend coverage to rural areas in exchange for reduced licencing fees. It also required them to bring down their charges for mobile phone banking.

Rwanda, Egypt, Tunisia, Kenya, South Africa and the Seychelles are among the countries that have adopted ambitious ICT plans with a view to developing their knowledge-based economies. Long known for its abundant natural resources, Africa is witnessing the rise of a sector that only a few initially thought could thrive.

*Africa Connected: A Telecommunications Growth Story, *Ernst & Young*, 2009

NEWS

New vaccine targets meningitis in Africa

A new vaccine developed by the World Health Organization (WHO) and the Programme for Appropriate Technology in Health (PATH) is giving African doctors and public health officials a powerful new weapon in the fight against meningitis. The disease, a bacterial infection of the lining of the brain and spinal cord, infected over 88,000 people in the African "meningitis belt" stretching from Senegal to Ethiopia in 2009, causing more than 5,000 fatalities. Between 10 and 20 per cent of survivors, WHO reports, suffer long-term injuries, including brain damage, hearing loss and learning disabilities. An estimated 450 million people in Africa are at risk.

The new injection, known as Menafrivac, is available at a fraction of the cost of existing vaccines, provides longer protection and can be safely given to children as young as a year old. It is the first vaccine developed exclusively for Africa and targets the strain of the disease most common in the continent. Shipments began arriving in December in Burkina Faso, Mali and Niger, among the countries most affected by meningitis outbreaks. To date some 20 million people have been vaccinated.

Appointments

International Atomic Energy Agency

Kwaku Aning of Ghana has been appointed deputy director general of the UN's International Atomic Energy Agency (IAEA). Mr. Aning is the first African to assume the position. Prior to joining the IAEA in 2000, he served with the United Nations in various capacities for 23 years in New York, Angola and Geneva.

Christian Manahl of Austria has been appointed deputy special representative for Somalia. Mr. Manahl had been director of the Political Affairs Division in the UN Organization Stabilization Mission in the Democratic Republic of the Congo (MONUSCO) since June 2010, after serving as acting director from February 2007. He previously was senior political adviser to the European Union Special Representative for Sudan and was also a member of the Policy Unit of the High Representative for the European Union's Common Foreign and Security Policy.

UN Photo / Paulo Filgueiras

The UN Secretary-General has appointed **Karin Landgren** of Sweden as his new special representative and head of the United Nations Office in Burundi. Ms. Landgren was previously the representative of the Office of the United Nations High Commissioner for Refugees (UNHCR) in Eritrea and Africa's Great Lakes region. She takes over from Charles Petrie.

UNAMID / Albert Gonzalez Farran

Corentin Ki Doulaye of Burkina Faso has been nominated as the acting deputy joint special representative of the African Union/United Nations Hybrid Operation in Darfur (UNAMID). Mr. Ki Doulaye previously served his country as ambassador to the US and Canada. He was also a representative of the African Union, for which he held several positions, including as head of the Darfur Integrated Task Force and as AU bureau chief in Chad.

Loss of African forests slows

In 1990, Africa's forests covered almost 750,000 mn hectares, representing 23 per cent of total land area on the continent. Twenty years later, they covered less than 675,000 mn hectares. Yet, says *State of the World's Forests 2011*, a report of the UN Food and Agriculture Organization (FAO), there is good news: the loss of the continent's forest cover is slowing. Between 1990 and 2000, the UN report notes, 40 mn hectares of forest were destroyed. During the last decade, that number went down to 34 mn hectares.

Two main reasons account for the reduction, the report explains. First are efforts by North African countries to preserve their forests. Net losses in this region dropped to 41,000 hectares per year, from a previously recorded 590,000 hectares per year. Recent efforts by Sudan to gather data about the state of its forest is the second reason. Figures for 2000-2010 proved significantly lower than earlier estimates for the preceding decade. Also, North African countries and Sudan lead the continent in forest planting programmes. With 6 mn hectares of planted forest (out of 15 mn across Africa), Sudan is the undisputed leader.

In Africa, as in much of the world, the report further notes, while deforestation has been slower in recent years, its rate remains high. The regions of the continent with the greatest forest cover (Central and Southern Africa) generally recorded only modest reductions in forest loss. Africa's forests account for 17 per cent of the world's forest area.

Africa Agenda

4–6 May 2011 Cape Town (South Africa)
World Economic Forum on Africa
This regional off-shoot of the annual World Economic Forum in Davos focuses on the challenges Africa faces in attracting global and regional investment, while maintaining growth with industrial diversification and innovation. Contact Magali Ribes

☎ +41 22 869 1279, @ africa@weforum.org, 🖳 www.weforum.org/events/world-economic-forum-africa-2011

9–13 May 2011 Istanbul (Turkey)
Fourth UN Conference on Least Developed Countries
The conference will consider national, regional and global reviews of the implementation of the Brussels Programme of Action and prepare a new framework for the LDCs. Contact Ricardo Z. Dunn

☎ +1 917 367 6006, @ dunn@un.org, 🖳 www.un.org/wcm/content/site/ldc/home/conference

20–22 May 2011 Agadir (Morocco)
Climate Change, Agri-Food, Fisheries and Ecosystems
A global forum to share research and experiences on the impacts of global warming. Sponsored by the North-South Research Center for Social Sciences. Contact Dr. Mohamed Behnassi

☎ + 212 668 466 447, @ behnassi@gmail.com, 🖳 nrcs.webnode.com/scientific-events/iccaffe2011/english-version

14–16 June 2011 Paris (France)
Africa Energy Forum
Experts will examine the shifting trends in Africa's power sector. Contact Rod Cargill

☎ +44 20 85 47 06 98, @ cargill@energynet.co.uk, 🖳 www.energynet.co.uk/AEF/AEF2011

25 June–2 July 2011 Rome (Italy)
FAO Conference 37th Session.

☎ + 39 06 57051, @ FAO-HQ@fao.org, 🖳 www.fao.org/bodies/conf/c2011/en

27–29 June 2011 Pretoria (South Africa)
International Conference on Arts, Society and Sustainable Development
Tshwane University of Technology brings together visual and performing arts practitioners, professionals, academics and industry partners to explore the relationship between the arts and community development. Contact Irene Botes

☎ +27 12 382 6175, @ botesjc@tut.ac.za, 🖳 www.tut.ac.za/Documents/Extended%20Call%20for%20Papers.pdf

13–14 July 2011 Johannesburg (South Africa)
Green Building Conference 2011
World renowned designers and experts will gather with South Africa's own leaders in sustainable construction.

☎ + 21 447 4733, @ info@greenbuilding.co.za, 🖳 www.greenbuilding.co.za/content/green-building/conferences.html

WHAT HAS TAKEN PLACE

28 Feb–2 March 2011 London (UK)
Africa Investment Summit 2011
The only European-based conference that focuses on bringing European institutional capital to Africa. Contact Benjamin Gill

☎ + 44 (0)20 7608 7030, @ enquiry.uk@terrapinn.com, 🖳 www.terrapinn.com/gateway.aspx

24–29 March 2011 Addis Ababa (Ethiopia)
Joint Annual Meetings of the African Union Conference of Ministers of Economy and Finance and the Economic Commission for Africa Conference of African Ministers of Finance, Planning and Economic Development
☎ +251 11 551 4945 or +251 11 544 3556, @ uncc-aa@uneca.org or ekabou@uneca.org, 🖳 www.uneca.org/cfm/2011

In a turbulent world, diversity vital for African economies

Kenya is building on its successes in horticulture and hopes to become an East African regional trade hub.

Africa Media Online / Felix Masi

OSAA-OECD-NEPAD study flags strong government policies and private sector promotion

By David Mehdi Hamam and **Juliet Wasswa-Mugambwa**

Africa's economy has grown rapidly and steadily since 2000, and has shown remarkable resilience in the face of the global financial and economic crisis. But the continent's dependency on the export of natural resources and primary commodities was bluntly exposed by the crisis. The decline in the demand for and the price of oil and minerals was largely responsible for reducing Africa's growth rate by about 4 percentage points between 2008 and 2009. This over-reliance on a few commodities and just one or two sectors underscores the need for much greater economic diversification.

How the continent can better diversify its economies is the topic of a new study, *Economic Diversification in Africa: A Review of Selected Countries*, issued in October 2010 jointly by the United Nations Office of the Special Adviser on Africa (OSAA), the industrialized countries' Organization for Economic Cooperation and Development (OECD) and the New Partnership for Africa's Development Planning and Coordinating Agency (NEPAD), a programme of the African Union.* Ibrahim Mayaki, the NEPAD chief executive officer, said the partnership "represents a genuine and constructive collaboration that will facilitate provision of reliable information on progress made in the implementation of the continent's development priorities."

*The report and various policy briefs are available at: http://www.un.org/africa/osaa/OSAA_NEPAD_OECD_partnership.html, www.nepad.org>, and www.oecd.org/daf/investment/africa.

'Less vulnerable'

Achieving greater economic diversity, UN Under-Secretary-General and Special Adviser on Africa Cheick Sidi Diarra said at the report's launch, means multiplying "the sectors on which an economy depends so as to make a country less vulnerable to external shocks."

To draw out the factors affecting diversification, the report focuses on five countries. South Africa, Kenya and Tunisia all have sophisticated diversification strategies. South Africa has adopted an industrial policy framework to support sectors such as agro-processing, plastics, chemicals and pharmaceuticals, clothing and textiles and tourism. Kenya builds on its successes in horticulture, and projects investments in regional infrastructure to position the country as a regional trade hub for East Africa. Tunisia has identified four targets for diversification: aeronautical and automotive components, information and communications technology, textiles and food processing.

In contrast, Angola has only recently emerged from decades of war. Its growth depends heavily on minerals and its efforts to diversify have so far been limited to upgrading infrastructure. Benin is heavily dependent on agriculture, although it has a favourable policy environment and a record of good governance that could lead

Africa Books

Grappling with Governance: Perspectives on the African Peer Review Mechanism, ed. Steven Gruzd (Fenele, Johannesburg, South Africa, 2010; 232 pp; pb R195)

De Bamako à Accra. Mobilités urbaines et ancrages locaux en Afrique de l'Ouest by Monique Bertrand (Karthala, Paris, France, 2011; 384 pp; pb €29)

What Is Left Unsaid: Reporting the South African HIV Epidemic, eds. Kristin Palitza, Natalie Ridgard et al (Jacana Media, Johannesburg, South Africa, 2010; 408 pp; pb R195)

Elections et media en Afrique Centrale by Frère Marie-Soleil (Karthala, Paris, France, 2010; 354 pp; €18)

Futures of Technology in Africa by Jasper Grosskurth (STT Publication, The Hague, Netherlands, 2010; 83 pp; free at: http://onepercentblog.com/blog/2011/01/07/futures-of-technology-in-africa)

Le Noir et le savoir scientifique de la post colonie à la mondialisation by Augustin Ramazani Bishwende (L'Harmattan, Paris, France, 2010; 100 pp; pb €12, e-book €10.80)

African Women Writing Resistance: An Anthology of Contemporary Voices, eds. Jennifer Browdy de Hernandez, Pauline Dongala, Omotayo Jolaosho and Anne Serafin (Fahamu Books and Pambazuka Press, Oxford, UK, 2011; 360 pp; pb £16.95)

Les littératures africaines. Textes et terrains by Virginia Coulon and Xavier Garnier (Karthala, Paris, France, 2011; 497 pp; pb €39)

Century of Change: Symposium on African Unity by Madison A. Evans (Nova Science Publishers, New York, New York, USA, 2011; hb $129; pb $43)

Mother Is Gold, Father Is Glass: Gender and Colonialism in a Yoruba Town

by Lorelle D. Semley (Indiana University Press, Indiana, USA, 2010; 232 pp ; hb $70, pb $24.95)

The roles of women can be far more complicated than previously thought, Lorelle D. Semley demonstrates in this study examining the historical and political meanings of motherhood in West Africa and beyond. While in Kétu, Bénin, Semley discovered that in the colonial era women had been treasurers, advisers, ritual specialists and colonial agents, in addition to their more familiar roles as queens, wives and sisters. These women with special influence made it difficult for the French authorities and others to enforce an ideal of subordinate women. As she traces how women gained prominence, Semley, an assistant professor in the Department of History at Wesleyan University in the US, makes clear why powerful mother figures still exist in the symbols and rituals of today's everyday practices.

Allahou Akbar. Islam, terrorisme et tolérance by Lansine Kaba (Présence africaine Editions, Paris, France, 2010; 285 pp; pb €23)

Contemporary African Fashion, eds. Suzanne Gott and Kristyne Loughran (Indiana University Press, Bloomington, Indiana, USA; 2010; 248 pp; pb $27.95)

The Deadly Ideas of Neoliberalism: How the IMF Has Undermined Public Health and the Fight Against AIDS by Rick Rowden (Zed Books, London, UK, 2010; 288 pp; pb £18.99, $34.95)

Land, Governance, Conflict and the Nuba of Sudan by Guma Kunda Komey (James Currey, Oxford, UK, 2010; 272 pp; hb $70)

Domestic Violence and the Law in Colonial and Postcolonial Africa eds. Emily S. Burrill, Richard L. Roberts, Elizabeth Thornberry (Ohio University Press, Ohio, USA, 2010; 336 pp; hb $47.96, pb $23.16)

Viewing African Cinema in the Twenty-first Century: Art Films and the Nollywood Video Revolution, eds. Mahir Şaul and Ralph A. Austen (Ohio University Press, Ohio, USA, 2010; 248 pp; hb $44, pb $21.56)

Géopolitique de l'Afrique by Philippe Hugon (Armand Colin, Paris, France, 2010; 128 pp; pb €9.80)

Civil Society and International Governance: The Role of Non-State Actors in the EU, Africa, Asia and Middle East, eds. David Armstrong, Valeria Bello et al (Routledge, Taylor & Francis Group, Abingdon, Oxon, UK, 2010; 224 pp; hb $125)

Voyage en postcolonie. Le nouveau monde franco-africain by Stephen Smith (Grasset & Fasquelle, Paris, France, 2010; 336 pp; pb €18.50)

How Africa Works: Occupational Change, Identity and Morality, ed. Deborah Bryceson (Practical Action, Sterling, Virginia, USA, 2010; 308 pp; pb $39.95)

Kamerun! Une guerre cachée aux origines de la Françafrique (1948-1971) by Manuel Domergue, Jacob Tatsitsa and Thomas Deltombe (La Découverte, Paris, France, 2011; 744 pp; pb €25)

L'Afrique noire est-elle maudite? by Moussa Konaté (Fayard, Paris, France, 2010; 238 pp; pb €16.50)

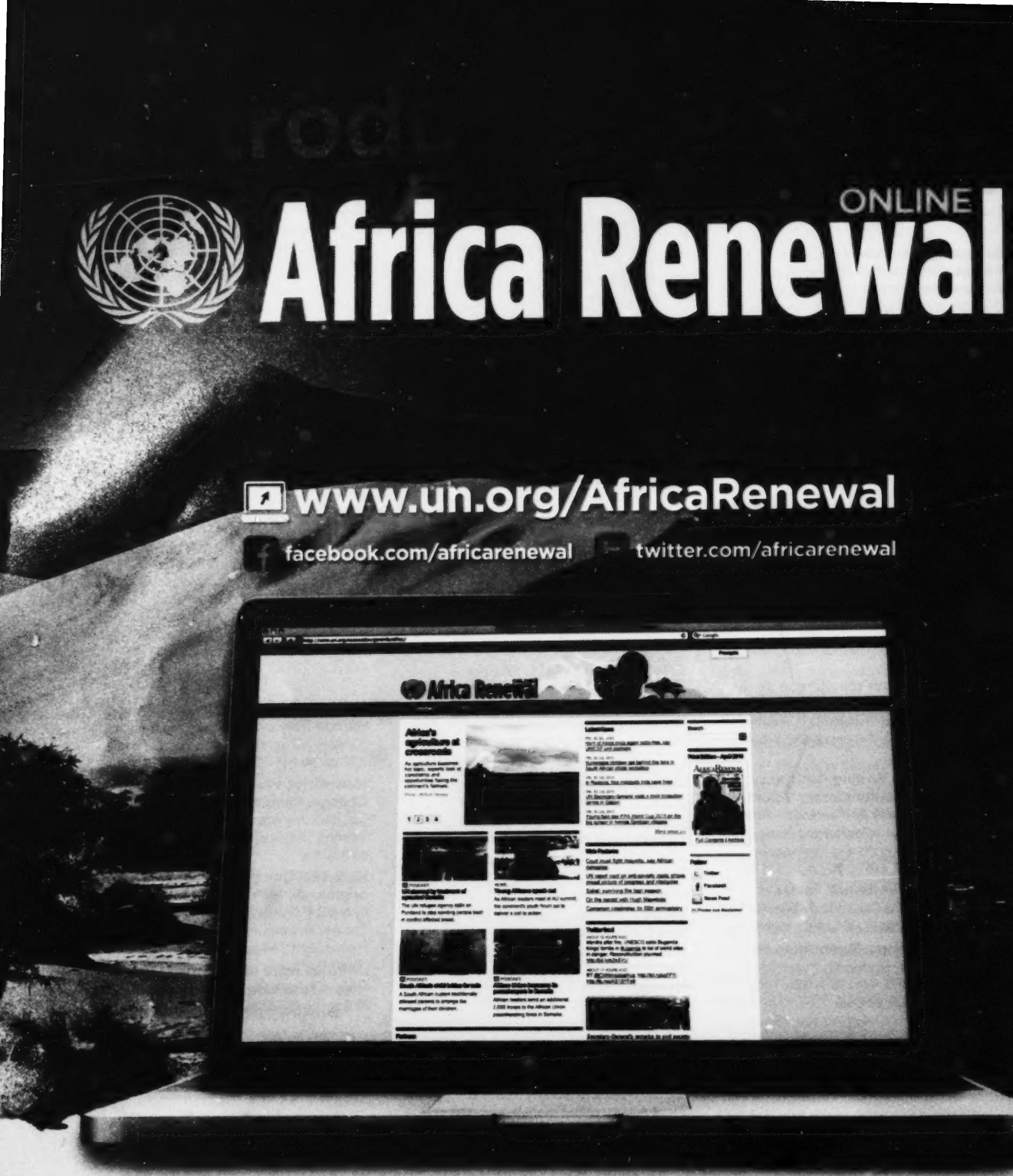
to private sector development and investment in other sectors.

'Drivers' of diversification

The study identifies six major "drivers" of diversification:

- **Governments** need to create a business-friendly environment, including a supportive regulatory framework, facilitation of international trade and support for economic hubs that contribute to diversification.
- Because of its small scale and difficulty in accessing capital, Africa's **private sector** needs government support to seize opportunities, drive innovation and expand into new activities.
- Greater local processing of **natural resources** can contribute to diversification, and mining income can support other sectors.
- To overcome the small size of domestic markets, **regional integration** is essential, through such means as reducing barriers to regional trade and investing in regional infrastructure.
- **Institutional capacities and human resources** must be developed.
- Through **broader international cooperation**, both traditional and emerging partners can expand markets for African products.

David Mehdi Hamam is chief of the policy analysis unit and Juliet Wasswa-Mugambwa is an economic affairs officer at the UN Office of the Special Adviser on Africa.



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